

JAN 19 '10

11-30 AM

Official Letter of Transmittal

SURFACE TRANSPORTATION BOARD

December 16, 2009

Secretary, Surface Transportation Board
395 "E" Street Southwest
Washington, DC 20423

Dear Secretary:

I have enclosed an original and one copy/counterpart of the document described below to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

1. This document is a primary document, consisting of a Mortgage, dated as of November 11, 2009, from the Mortgagor named below to add in favor of the Mortgagee named below.

2. The names and addresses of the Mortgagor and Mortgagee under the Mortgage are as follows:

Mortgagor: Penn A Kem LLC
3324 Chelsea Avenue
Memphis, TN 38108

Mortgagee: Webster Business Credit
Corporation
360 Lexington Avenue
New York, NY 10017

3. A description of the covered equipment is as follows:

(1) General Electric Model Class B-50/50-1GE733 Diesel/Electric Locomotive, S/N 15229 (1942). 150 hp;

(8) 20,700 Gallon Tanker Railcars, S/N PNTX200; S/N PNTX206; S/N PNTX209; S/N PNTX210; S/N PNTX215; S/N PNTX216; S/N PNTX218; and S/N PNTX219;

(13) 21,000 Gallon Tanker Railcars, S/N QOTX265; S/N QOTX266; S/N QOTX267; S/N QOTX268; S/N QOTX269; S/N QOTX270; S/N QOTX271; S/N QOTX272; S/N QOTX274; S/N QOTX275; S/N QOTX278; S/N QOTX280; and S/N QOTX281;

(4) 20,700 Gallon Tanker Railcars; S/N QOTX282; S/N QOTX283; S/N QOTX284; and S/N QOTX285;

(collectively, together with any accessions or additions thereto, and any substitutions and replacements thereof, and all proceeds of the foregoing, called the "**Mortgaged Equipment**").

4. A fee of ⁴¹~~53~~.00 is enclosed.

5. Please return the original to:

King & Spalding
1185 Avenue of the Americas
34th Floor
New York, NY 10036
Attn: Gerald Woods

6. A short summary of the document to appear in the index follows:

Mortgage, dated November 11, 2009, made between by Penn A Kem, LLC as mortgagor, to and in favor of Webster Business Credit Corporation, as mortgagee, to secure the payment of certain indebtedness of Mortgagor to Mortgagee covering:

(1) General Electric Model Class B-50/50-1GE733 Diesel/Electric Locomotive, S/N 15229 (1942). 150 hp;

(8) 20,700 Gallon Tanker Railcars, S/N PNTX200; S/N PNTX206; S/N PNTX209; S/N PNTX210; S/N PNTX215; S/N PNTX216; S/N PNTX218; and S/N PNTX219;

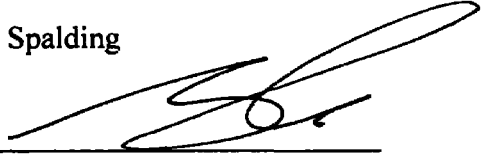
(13) 21,000 Gallon Tanker Railcars, S/N QOTX265; S/N QOTX266; S/N QOTX267; S/N QOTX268; S/N QOTX269; S/N QOTX270; S/N QOTX271; S/N QOTX272; S/N QOTX274; S/N QOTX275; S/N QOTX278; S/N QOTX280; and S/N QOTX281;

(4) 20,700 Gallon Tanker Railcars; S/N QOTX282; S/N QOTX283; S/N QOTX284; and S/N QOTX285;

(collectively, together with any accessions or additions thereto, and any substitutions and replacements thereof, and all proceeds of the foregoing, called the "**Mortgaged Equipment**").

Very Truly Yours,

King & Spalding

By: 
Gerald Woods

JAN 19 '10

11-30 AM

MORTGAGE

SURFACE TRANSPORTATION BOARD

THIS MORTGAGE (the "**Mortgage**") is made by PENN A KEM LLC, a Delaware limited liability company, whose address is 3324 Chelsea Avenue, Memphis, TN 38108, as mortgagor ("**Mortgagor**"), to and in favor of WEBSTER BUSINESS CREDIT CORPORATION, a New York corporation, whose address is 360 Lexington Avenue, New York, NY 10017, as mortgagee ("**Mortgagee**") and is made with respect to the following equipment:

(1) General Electric Model Class B-50/50-1GE733 Diesel/Electric Locomotive, S/N 15229 (1942). 150 hp;

(8) 20,700 Gallon Tanker Railcars, S/N PNTX200; S/N PNTX206; S/N PNTX209; S/N PNTX210; S/N PNTX215; S/N PNTX216; S/N PNTX218; and S/N PNTX219;

(13) 21,000 Gallon Tanker Railcars, S/N QOTX265; S/N QOTX266; S/N QOTX267; S/N QOTX268; S/N QOTX269; S/N QOTX270; S/N QOTX271; S/N QOTX272; S/N QOTX274; S/N QOTX275; S/N QOTX278; S/N QOTX280; and S/N QOTX281;

(4) 20,700 Gallon Tanker Railcars; S/N QOTX282; S/N QOTX283; S/N QOTX284; and S/N QOTX285;

(collectively, together with any accessions or additions thereto, and any substitutions and replacements thereof, and all proceeds of the foregoing, called the "**Mortgaged Equipment**").


for the purpose of acknowledging, confirming and granting a lien, security interest and encumbrance by Mortgagor in favor of Mortgagee in the Mortgaged Equipment to secure the payment of certain "Obligations" of Mortgagor to Mortgagee more particularly described in that certain Credit and Security Agreement dated as of November 11, 2009, made between Mortgagor and Mortgagee (which, as modified or amended from time to time, is called herein the "**Credit Agreement**"; capitalized terms used in this Mortgage, including any quoted terms, e.g., "Obligations," shall have the meanings given to such terms in the Credit Agreement). The Mortgaged Equipment constitutes part of the "Equipment and the "Collateral." From and after the occurrence of any "Event of Default" and during its continuation, Mortgagee shall have, and may exercise, all rights and remedies of a secured party under the Credit Agreement, the UCC and other applicable law in respect of the Mortgaged Equipment.

This Mortgage is an "Other Document" and shall be governed and construed accordingly, as provided in the Credit Agreement.

WITNESS our hand as of November 11, 2009.

"MORTGAGOR"

PENN A KEM LLC

By: 
Name: Dale R. Farnham
Title: President

ACKNOWLEDGEMENT

State of TN
County of Shelby
SS: _____

On this 18 day of December, 2009, before me personally appeared Dale Farrington to me personally known, who being by me duly sworn, says that (s)he is the President (title of office) of PENN A KEM LLC, that said instrument was signed and sealed on behalf of said company by authority of its members, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

My commission expires:

Sonja N. Harris
[Notary Stamp or Seal]

